



**CITY OF MORGAN HILL**

**CITY COUNCIL  
MORGAN HILL REDEVELOPMENT AGENCY**

**COUNCIL CHAMBERS**

17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037

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**COUNCIL MEMBERS**

Dennis Kennedy, Mayor  
Steve Tate, Mayor Pro Tempore  
Hedy L. Chang, Council Member  
Cynthia J. Cook Council Member  
Greg Sellers, Council Member

**REDEVELOPMENT AGENCY**

Dennis Kennedy, Chairperson  
Greg Sellers, Vice-Chairperson  
Hedy L. Chang, Agency Member  
Cynthia J. Cook, Agency Member  
Steve Tate, Agency Member

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**WEDNESDAY, MAY 10, 2000**

**AGENDA**

**JOINT MEETING**

**CITY COUNCIL SPECIAL MEETING**

**and**

**REDEVELOPMENT AGENCY SPECIAL MEETING**

*A Special Meeting is called at 6:30 P.M. for the purpose of  
conducting three Closed Sessions.*

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**Dennis Kennedy, Mayor**

**6:30 P.M.**

**CALL TO ORDER**

(Mayor/Chairperson Kennedy)

**ROLL CALL ATTENDANCE**

(City Clerk/Agency Secretary Torrez)

**DECLARATION OF POSTING OF AGENDA**

**Per Government Code 54954.2**

(City Clerk/Agency Secretary Torrez)

***City Council/Redevelopment Agency Action***

**OPPORTUNITY FOR PUBLIC COMMENT**

**CLOSED SESSION:**

- |                   |  |
|-------------------|--|
| <b>10 minutes</b> | <b>1.</b><br><b>CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION</b><br>Legal Authority: Government Code 54956.9(a)<br>Title of Case: Larry Farrow v. Paradise Motel et al.<br>Case No. C99-20527 JW-EAI<br>Attendees: Council Members; Interim City Manager; Interim City Attorney,<br>Police Chief  |
| <b>10 minutes</b> | <b>2.</b><br><b>CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION</b><br>Legal Authority: Section 54956.9(a)<br>Case Title: Morgan Hill Unified School District v. Minter & Fahy<br>Case Number CV 772368;<br>Court: Superior Court, County of Santa Clara<br>Parties: Morgan Hill Unified School District, Minter & Fahy, Ameron<br>International, City of Morgan Hill<br>Subject of Litigation: Fuel Leak<br>Closed Session Topic: Case status<br>Attendees: Councilmembers; Interim City Manager; Interim City<br>Attorney; Public Works Director; Mark Strombotne, Esq.;<br>Sharonrose Cannistraci, Esq. |
| <b>10 minutes</b> | <b>3.</b><br><b>PUBLIC EMPLOYMENT</b><br>Legal Authority: Government Code Section 54957<br>Title: Interim City Manager<br>Attendees: Mayor and City Council and Interim City Attorney  |

**7:00 P.M.**

**SILENT INVOCATION**

**PLEDGE OF ALLEGIANCE**

**PROCLAMATION**

*National Public Works Week  
5/21/00 through 5/27/00*

**CITY COUNCIL REPORT**  
Council Member Hedy L. Chang

**INTERIM CITY MANAGER'S REPORT**

**INTERIM CITY ATTORNEY'S REPORT**

**NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.**  
(See notice attached to the end of this agenda.)

**PUBLIC COMMENTS ON ITEMS APPEARING ON THIS AGENDA WILL BE TAKEN AT THE TIME THE  
ITEM IS ADDRESSED BY THE COUNCIL. PLEASE COMPLETE A SPEAKER CARD AND PRESENT  
IT TO THE CITY CLERK.**  
(See notice attached to the end of this agenda.)

## ***City Council Action***

**CONSENT CALENDAR:**

The Consent Calendar, Agenda Items #1 through #4 may be acted upon with one motion, a second and the vote. The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

**Time**

**Estimate**

**Consent Calendar: 1 - 10 Minutes**

**Page**

1. **BI-ANNUAL VACANCY RATE SURVEY** ..... 1  
**Recommended Action:** **Establish** the Bi-Annual Vacancy Rate for April 2000 at .26% as Recommended by the Planning Commission.
2. **AWARD OF CONSTRUCTION AND CONSTRUCTION MANAGEMENT CONTRACTS  
FOR THE NORDSTROM PARK WELL DIANA WELL NO. 3** ..... 11  
**Recommended Action:** 1) **Award** Contract to F&M Engineering Contractors, Inc. for the Construction of the Nordstrom Park Well Pump Station and the Diana Well No. 3 Pump Station in the Amount of \$556,000 and 2) **Award** Contract to Luhdorff & Scalmanini for the Construction Management of both wells for a Total Cost of \$31,768.
3. **DELEGATION OF AUTHORITY TO CITY MANAGER FOR CABLE TELEVISION  
ADMINISTRATION** ..... 21  
**Recommended Action:** **Delegate** the Authority to Impose Remedies, That Do Not Include Franchise Termination, on Cable Television Providers to the City Manager.

4.	<b><u>CONSIDERATION OF AMENDMENT TO THE INTERIM CITY MANAGER/EXECUTIVE DIRECTOR AGREEMENT WITH J. EDWARD TEWES</u></b> .....	23
	<b><u>Recommended Action:</u></b> <u>Consider</u> Authorizing the Mayor to Execute an Amendment to the Agreement with J. Edward Tewes.	

**PUBLIC HEARINGS:**

	<b>Time Estimate</b>		<b>Page</b>
5.	45 minutes	<b><u>PROPOSED MADRONE BUSINESS PARK ASSESSMENT DISTRICT NO. 2000-1</u></b> .....	35
		<b><u>Recommended Action:</u></b> Request Staff Presentation. Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed. Council Discussion. Action - <u>Motion to Adopt</u> Resolution No. 5379 Making Certain Findings and Taking Certain Actions in Connection with Proposed Assessment District No. 2000-1 (Madrone Business Park). Action - <u>Motion to Adopt</u> Resolution No. 5380 Ordering Modification to the Engineer's Report, Approving the Engineer's Report as so Modified, Confirming the Assessments and Ordering Proposed Improvements to the Made in Connection with Assessment District No. 2000-1 (Madrone Business Park). Action - <u>Motion to Adopt</u> Resolution No 5381 Authorizing the Issuance of Not to Exceed \$13,705,000 Aggregate Principal Amount of City of Morgan Hill, Assessment District No. 2000-1 (Madrone Business Park), Limited Obligation Improvement Bonds, Series 2000 and the Execution and Delivery of a Fiscal Agent Agreement, a continuing Disclosure Agreement, a Purchase Contract and an Official Statement and Approving a Preliminary Official Statement.	
6.	2 minutes	<b><u>ZONING AMENDMENT APPLICATION ZAA 98-01: E. DUNNE AVE. - SHAW</u></b> ....	49
		<b><u>Recommended Action:</u></b> Request Staff Presentation. Public Hearing Opened. Continue Public Hearing to June 7, 2000.	
7.	15 minutes	<b><u>ZONING AMENDMENT APPLICATION ZA 00-03: COCHRANE-MORGAN HILL DEVELOPMENT PARTNERS</u></b> .....	51
		<b><u>Recommended Action:</u></b> Request Staff Presentation. Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed. Council Discussion. Action - <u>Motion to Approve</u> Negative Declaration. Action- <u>Motion to Waive</u> the Reading in Full of the Ordinance No. 1476, N.S. Approving the Zoning Amendment; <u>Motion to Introduce</u> Ordinance No. 1476, N.S. by Title Only.	

8.      2 minutes      **ZONING AMENDMENT APPLICATION ZA-00-02: AMENDMENT TO CHAPTER 17.50 OF THE MUNICIPAL CODE REGARDING VESTING TENTATIVE MAPS** ..... 67  
**Recommended Action:** Request Staff Presentation.  
Public Hearing Opened.  
Continue Public Hearing to May 24, 2000.

**OTHER BUSINESS** (continued):

- |     | Time<br>Estimate |   | Page |
|-----|------------------|---|------|
| 9.  | 15 minutes       | <b><u>PRESENTATION BY SANTA CLARA VALLEY WATER DISTRICT (SCVWD) AND RESOLUTION OF SUPPORT FOR DISTRICTS "CLEAN SAFE CREEKS AND NATURAL FLOOD PROTECTION PROGRAM"</u></b> .....<br><b>Recommended Action:</b> <u>Hear</u> Presentation from SCVWD Staff Regarding the Upcoming November 2000 Election and Consider Their Request to Adopt Resolution of Support. | 69   |
| 10. | 5 minutes        | <b><u>CONSIDERATION OF CITY COUNCIL REPRESENTATION ON PARKS, FACILITIES, AND RECREATION PROGRAMMING MASTER PLAN TASK FORCE</u></b> .....<br><b>Recommended Action:</b> <u>Consider</u> Opportunity for City Council Representative to the Parks, Facilities, and Recreation Programming Master Plan Task Force.   | 83   |
| 11. | 15 minutes       | <b><u>DISCUSSION REGARDING THE ESTABLISHMENT OF A LEGISLATIVE SUBCOMMITTEE TO REVIEW AND RESPOND TO LEGISLATIVE BILLS OR ISSUES OF CONCERNS ON BEHALF OF THE CITY</u></b> .....<br><b>Recommended Action:</b> Council <u>Discussion</u> and <u>Direction</u> Regarding the Establishment of a Legislative Review Committee.                                     | 85   |

**SECOND READING OF ORDINANCE:** Full Reading Waived By Majority Vote.

(Government Code Section 36934)  
**Action -- Adopt** Ordinance by roll call vote.

12.      5 minutes      **ADOPT ORDINANCE NO. 1475, NEW SERIES** ..... 87  
An Ordinance of The City Council of The City of Morgan Hill Approving a Zoning Amendment to Change the Zoning from Highway Commercial to Planned Unit Development and to Establish a Precise Development Plan for the Site. APN 726-33-001 (Application ZA-99-10: Cochrane-Tharaldson Development Company)

## ***City Council/Redevelopment Agency Action***

### **CONSENT CALENDAR:**

The Consent Calendar, Agenda Items #13 through #16 may be acted upon with one motion, a second and the vote. The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

<b>Time Estimate</b>		<b>Page</b>
	<b>Consent Calendar: 1 - 10 Minutes</b>	
<b>13.</b>	<b><u>ACQUISITION OF 17315 SERENE DRIVE, A BMR HOUSING UNIT, FROM LENDER . . . .</u></b>	<b>123</b>
	<b><u>Recommended Action:</u></b>	
	1. <b><u>Authorize</u></b> the Interim Executive Director/City Manager to Negotiate, Prepare, and Execute a Purchase Agreement with Downey Savings and Loan Association or its Agent in an Amount Not to Exceed \$150,000 for the Purchase, Repair and Resale of 17315 Serene Drive, a BMR Housing Unit, and	
	2. <b><u>Authorize</u></b> the Interim Executive Director/City Manager to Do Everything Necessary to Sell the Unit to a BMR Buyer in Accordance with Program Guidelines.	
<b>14.</b>	<b><u>APPROVAL OF SPECIAL CITY COUNCIL AND SPECIAL REDEVELOPMENT AGENCY MEETING MINUTES OF APRIL 5, 2000 . . . . .</u></b>	<b>125</b>
<b>15.</b>	<b><u>APPROVAL OF SPECIAL CITY COUNCIL AND SPECIAL REDEVELOPMENT AGENCY CLOSED SESSION MEETING MINUTES OF APRIL 5, 2000 . . . . .</u></b>	<b>151</b>
<b>16.</b>	<b><u>APPROVAL OF REGULAR AND SPECIAL REDEVELOPMENT AGENCY AND SPECIAL CITY COUNCIL MEETING MINUTES OF APRIL 26, 2000 . . . . .</u></b>	<b>153</b>

## ***City Council/Redevelopment Agency Action***

### **OPPORTUNITY FOR PUBLIC COMMENT**

### **CLOSED SESSION:**

	<b>1.</b>
<b>10 minutes</b>	<b>CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION</b>
Legal Authority:	Government Code 54956.8 & 54956.9(c) (1potential case)
Real Property(ies) involved:	APN 728-31-007 & 008; 25.50 acres located on the southwesterly side of Mission View and Cochrane Road; and APN 728-31-009 - 12.88 acres located on the southeast corner of Cochrane and Highway 101 (St. Louise Hospital property)
City Negotiators:	Agency Members; Interim Executive Director; Interim Agency Counsel; and F. Gale Conner, special counsel
Closed Session Topic:	Potential Litigation

**2.**

**30 minutes**

**CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:**

Significant exposure to litigation pursuant to subdivision (b)(3)(E) of Government Code Section 54956.9: (1 case)

Attendees: Agency Board; Interim Executive Director; Interim Agency Counsel; Director of Business Assistance and Housing Services; Chief of Police, and William Strausz, special counsel

**3.**

**30 minutes**

**CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**

Initiation of litigation pursuant to Government Code section 54956.9(c) - One (1) potential case

**CLOSED SESSION ANNOUNCEMENT:**

**FUTURE COUNCIL-INITIATED AGENDA ITEMS:**

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

**ADJOURNMENT**